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SOURCE Hospodar.

DESCRIBES ACTIVITIES OF STATE COMMERCIAL ENTERPRISES

8 ENTERPRISES EXPANDING -- Hospodar, No 52, 29 Dec 49

Following is information on some of the basic state commercial enterprises.

Chemodroga -- Seventy percent of the drug stores are now in the hands of Chemodroga. The rest remain in private hands. There are also cooperative stores and barber and hairdresser cooperatives. Chemodroga began the establishment of special stores (carrying, for example, photographic equipment, paints, and lacquer) and model stores, of which there are 90 in the Czech Provinces. The advisory service to consumers will begin functioning on 1 January 1950. The mobile store service will be increased.

Pramen -- A retail enterprise, Pramen has built an extensive network of sales outlets of several types. It originated from the nationalized large commercial enterprises such as Meisl and Kulik and 180 other plants which employed 1,100 persons. During the first year of its existence, the number of its stores increased tenfold and the number of its employees sevenfold. The enterprise has grown so much that it has been necessary to decentralize its functions into seven regional (oblast) administrations. Only in Prague are the sales outlets supplied by their own warehouses. In the regions (oblasts) the sales outlets are supplied by the Velkodistribucni Podnik (Wholesale Distribution Enterprise). In the future, Pramen will have the task of nationalizing the inn services.

Textilia -- The first to establish the system of subsidiary plants and a large distribution network of retail stores, Textilia has on the whole completed this developmental process. It now has about 3,000 sales outlets in all parts of the Czech Provinces. The sales outlets are now favorably distributed in different quarters of large towns and in the country. Only in the villages the supply of textiles remains in the hands of cooperatives. Besides, Textilia serves the country with its mobile sales outlets. A total of 19 various types of sales outlets have been created; of these, 12 sell textiles and seven sell fancy goods, furs, hats, etc. In 1950, the system of fur, hat, and umbrella repair shops will

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be enlarged. For the sale of large-size underwear, 70 special Tep sales outlets will be opened in larger towns; these will also take orders for custom-made underwear. Over 2,700 employees have already been trained in three enterprise schools. The bonus system, which has been introduced, helps in increasing productivity.

Narpa -- The wholesale and retail functions of the industry of paper, cardboard, and related products have been transferred to Narpa. The plan, which calls for the establishment of 1,200 sales outlets, had been executed by about 75 percent at the end of 1949. A large commercial house of Narpa, the only one of its kind in Europe, was opened the first of December 1949 in Brno. The commercial function of Narpa is supplemented by service to offices and industry. Calculating machines, typewriters, and other machines are sold by four special sales outlets, and two large repair plants handle repair. Each sales outlet collects items for repair. Workshops exist in the kraj plants and are being constructed from enterprises which have been or will be taken over from private owners. At present, 52 percent of the commercial plant employees are women, and this proportion is rising. Narpa has established in Prague a special distribution outlet for large consumers such as ministries, state enterprises, etc. It caters to its consumers by gauging its production in accordance with the desires of the consumers and fulfills these desires by contract production. Narpa has established its own testing laboratory, through which will pass samples of goods delivered.

Jas -- This youngest state enterprise, the establishment of which was announced on 25 August 1949, has taken over the entire distribution network of the former OKG [leather and rubber organization] and continues to grow. It has sales outlets for shoes and special sales outlets for tires. Jas has taken over the warehouses directly at the places of production and it is here that it receives the goods. The 2,000 sales outlets conduct market research. Jas controls shoe and hosiery repair shops and pedicure [orthopedic?] sections. The labor force is being recruited from among women.

Kovomat -- The great number of types of goods handled by Kovomat forces it to specialize in its sales outlets. It already has 13 warehouses with installation material only. Kovomat has established 18 sales outlets of all types for the wood-working industry and now has 44 sales outlets of kitchen supplies and equipment. Special sales outlets of cutlery, stoves, kitchen ranges, gas-using equipment, etc., have been established in larger towns. The central purchase section of the enterprise management plans and distributes goods to all kraj in accordance with the local needs. In the case of large consumers, such as the Ceskoslovenske Stavebni Zavody (Czechoslovak Construction Plants), the kraj warehouses deliver the goods all the way to the places of work. Soon, a monopoly will be declared for Kovomat, which will thus become the exclusive distributor of certain types of goods to which all the producers (including private producers) will have to sell.

Elektra -- Elektra is continuously increasing its network of sales outlets. From 27 to 30 sales outlets are being opened each month. Whereas there were only nine sales outlets in the Czech Provinces at the beginning of 1949, there are now 450. The optimum number of 766 sales outlets is to be reached in 1950. Elektra is establishing an advisory service on its appliances at the sales outlets and is arranging regular lectures for its consumers to acquaint them with the usage of the appliances. In Prague, it has opened an advisory unit for radio amateurs, a testing unit for vacuum tubes, and a youth section. Service to rural areas is being built on the basis of mobile sales outlets and by mid-December 1949, about 120 visits to model obec had taken place. Elektra serves the construction plants by having its technicians collaborate in installing electrical wiring and appliances. It sees that its products meet the qualitative and safety regulations of the ESC (Czechoslovak Electrotechnical Union) and assists through its experience in the normalization and standardization of electrotechnical parts.

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VDP (Velkodistribucni Podnik, Wholesale Distribution Enterprise) -- The VDP is a cooperative; 51 percent of its capital is given by the state and 49 percent consists of member shares. The members of VDP are cooperatives, state enterprises, and juridical persons whose functions fall within the sphere of VDP. This cooperative, which began its functions on 1 January 1949, purchases foodstuffs, beverages, and other prepared foods from industrial enterprises and tradesmen for the domestic market and it is, by a declaration of monopoly, entrusted with the exclusive sale on the domestic market in this sphere. By agreements with the Ustredi Pro Hospodareni Se Zemedelskymi Vyrobkymi (Center for the Management of Agricultural Products), VDP bound itself to distribute vegetables, fruits, potatoes, and other agricultural products. Besides, it distributes imported fruits, fancy groceries, etc., purchased by Koospol or Centrokumise on foreign markets. VDP was the first distribution enterprise to be based on the kraj system. The enterprise management in Prague and the regional (oblast) management in Bratislava are supported by kraj administrations (plants), the seats of which are in the kraj capitals.

The VDP branches, the lowest organizational components, are subject to the kraj administrations. These are the warehouses which also have a large transportation service. The customers of VDP include the sales outlets of the Framen state enterprise, cooperatives, Obchodni Domy (Commercial Houses), units of the Coskoslovenske Hotely (Czechoslovak Hotels), military recreation halls, factory kitchens, hospitals, sanatoria, and railroad cooperatives. Some branches are specializing in such products as yeast, confectionery supplies, fresh vegetables, fruit, mineral waters, and potatoes.

VDP also retains a large production sector, which produces canned fruit, vegetables, margarine, various flour products, and other goods, and employs about 3,000 persons. VDP is assisting in the socialization of the food sector. Whereas at the beginning of 1949 the proportion of food delivered to the socialist sector (state enterprises and cooperatives) was 36.75 percent, the rest being delivered to the private sector, at the end of 1949 the proportion of food delivered to the private sector did not exceed 20 percent. VDP collaborates in the formulation of the consumer plan by submitting a proposal for such a plan. VDP will introduce the SPH (Socialist Enterprise Economy) as of 1 January 1950. The inventory of merchandise to be conducted in all plants of VDP will deal with about 10,000 types of products.

TO MERGE 3 STATE ENTERPRISES -- Hospodar, No 4, 26 Jan 50

The Ministry of Internal Trade has decided to merge the state enterprises Obchodni Domy, Slovenske Obchodni Domy, and Zdar into one state enterprise in 1950. The new state enterprise, to be called Obchodni Domy, will operate on a nation-wide basis and will conduct wholesale trade in toys, sporting goods, baby carriages, jewelry, gifts, and basketry. Wholesale trade in these goods will be the monopoly of the Obchodni Domy. The former line of goods of Zdar will be changed by transferring the sale of fancy leather goods to the state enterprise Jas, the sale of hairdresser goods and certain cosmetics to the state enterprise Chemodroga, and the sale of kitchen utensils to the state enterprise Kovomat.

PATENT OFFICE TO HANDLE TRADE MARKS -- Hospodar, No 3, 19 Jan 50

According to a government decision of 20 December 1949, the Patent Office took over as of 1 January 1950 the trade-mark and sample program, which had been under the jurisdiction of the Ministry of Internal Trade. The Patent Office had been charged with the protection of trade marks and samples until 1926, when this function passed to the Ministry of Trade. During the occupation, it was performed by the Ministry of Justice.

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SET UP NEW COMMUNAL ENTERPRISES IN PRAGUE -- Hospodar, No 3, 19 Jan 50

New communal enterprises are being established in Prague on the basis of an agreement among the organizations concerned. Among these is the Cukrarna (Confectionery). The Fotozavody (Photo Plants) and Kadernictvi (Hairdressing Shops) enterprises are being established by detaching them from other enterprises; the latter has been detached from the Lazenska a Rekreasni Sluzba (Bathing and Recreation Service).

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